

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

STATE OF MAINE
125TH LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON INSURANCE AND
FINANCIAL SERVICES**

July 2011

MEMBERS:

SEN. RODNEY L. WHITTEMORE, CHAIR
SEN. LOIS A. SNOWE-MELLO
SEN. JOSEPH C. BRANNIGAN

REP. WESLEY E. RICHARDSON, CHAIR
REP. JONATHAN B. MCKANE
REP. JOYCE A. FITZPATRICK
REP. SUSAN E. MORISSETTE
REP. JOHN J. PICCHIOTTI
REP. SHARON ANGLIN TREAT
REP. ADAM GOODE
REP. HENRY E. M. BECK
REP. TERRY K. MORRISON
REP. PAULETTE G. BEAUDOIN

STAFF:

COLLEEN MCCARTHY REID, LEGISLATIVE ANALYST
OFFICE OF POLICY AND LEGAL ANALYSIS
13 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1670

STATE OF MAINE
125TH LEGISLATURE
FIRST REGULAR SESSION



LEGISLATIVE DIGEST OF BILL SUMMARIES AND
ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

CARRIED OVER carried over to a subsequent session of the Legislature
CON RES XXX..... chapter # of constitutional resolution passed by both houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; legislation died
DIED BETWEEN HOUSES..... House & Senate disagreed; legislation died
DIED IN CONCURRENCE..... defeated in each house, but on different motions; legislation died
DIED ON ADJOURNMENT..... action incomplete when session ended; legislation died
EMERGENCY..... enacted law takes effect sooner than 90 days after session adjournment
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE emergency failed to receive required 2/3 vote
FAILED, ENACTMENT or FINAL PASSAGE..... failed to receive final majority vote
FAILED, MANDATE ENACTMENT legislation proposing local mandate failed required 2/3 vote
HELD BY GOVERNOR..... Governor has not signed; final disposition to be determined at subsequent session
LEAVE TO WITHDRAW..... sponsor's request to withdraw legislation granted
NOT PROPERLY BEFORE THE BODY ruled out of order by the presiding officer; legislation died
INDEF PP..... indefinitely postponed; legislation died
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X... ought-not-to-pass report accepted; legislation died
P&S XXX..... chapter # of enacted private & special law
PUBLIC XXX..... chapter # of enacted public Law
RESOLVE XXX..... chapter # of finally passed resolve
VETO SUSTAINED..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 125th Legislature is September 28, 2011. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Insurance and Financial Services

of the advisory committee is to make recommendations to the Legislature and to the Governor on courses of action to ensure federal funding for the creation of a health insurance exchange and to provide draft enabling legislation for the creation of a health insurance exchange no later than September 1, 2011.

Resolve 2011, chapter 105 was enacted as an emergency measure effective July 6, 2011.

LD 1583 An Act To Provide Oversight in Certain Negotiations

PUBLIC 451

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RICHARDSON W	OTP-AM	H-662

This bill prohibits the inclusion of so-called "most favored nation" clauses in the participation agreements between health insurance carriers and health care service providers and authorizes the Superintendent of Insurance to waive this restriction upon finding that the inclusion of such a clause will not be anticompetitive. This bill also prohibits carriers from discriminating against providers for opposing requests for such waivers.

Committee Amendment "A" (H-662)

This amendment replaces the bill. Like the bill, the amendment prohibits the inclusion of so-called "most favored nation" clauses in the participation agreements between health insurance carriers and health care service providers and authorizes the Superintendent of Insurance to waive this restriction upon finding that the inclusion of such a clause will not be anticompetitive. This amendment also prohibits carriers and providers from taking discriminatory or retaliatory actions for filing or opposing requests for such waivers. This amendment clarifies that an applicant for a waiver may request a hearing and further clarifies that a decision of the superintendent may be appealed whether a hearing is held or not. The amendment also clarifies the factors that may be considered by the superintendent in determining whether the inclusion of a "most favored nation" clause is anticompetitive. The amendment also narrows the scope of the public records exception included in the bill. The amendment makes the bill apply to contracts executed or renewed on or after January 1, 2012.

Enacted Law Summary

Public Law 2011, chapter 451 prohibits the inclusion of so-called "most favored nation" clauses in the participation agreements between health insurance carriers and health care service providers, but also authorizes the Superintendent of Insurance to waive this restriction upon finding that the inclusion of such a clause in a participation agreement will not be anticompetitive. The law also prohibits carriers and providers from taking discriminatory or retaliatory actions for filing or opposing requests for such waivers. The law clarifies that an applicant for a waiver may request a hearing and further clarifies that a decision of the superintendent may be appealed whether a hearing is held or not. The law also specifies the factors that may be considered by the superintendent in determining whether the inclusion of a "most favored nation" clause in a participation agreement is anticompetitive.

Public Law 2011, chapter 451 applies to contracts executed or renewed on or after January 1, 2012.